

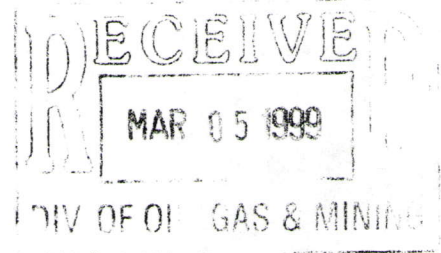
**TRC Mariah  
Associates Inc.**

Environmental Scientists

605 Skyline Drive  
Laramie, Wyoming 82070-8909  
Telephone 307-742-3843  
Facsimile 307-745-8317

M/047/010

March 2, 1999



Dear Reader:

Your name is included on the Environmental Action Core Mailing List, maintained by the U.S. Bureau of Land Management's (BLM) Vernal, Utah, Field Office. Enclosed for your review and comment is the Environmental Assessment for American Gilsonite Company's Wagon Hound Gilsonite Mine Shafts Nos. 3 and 7, Uintah County, Utah.

The BLM invites you to comment on this document, particularly with respect to the adequacy of the analysis of environmental impacts. The 30-day public comment period ends on April 5, 1999. Please direct any comments to Roger Schoumacher, Project Manager, at the address shown above. Please refer to EA No. UT-080-1999-17 in your correspondence.

The EA was prepared in accordance with the National Environmental Policy Act with the BLM directing the preparation of the document. The document provides an assessment of the impacts of gilsonite mining in eastern Uintah County near Bonanza.

Contact Duane De Paepe, Planning and Environmental Coordinator, BLM, at (435) 781-4400 for further information concerning the EA or this proposed gilsonite production project.

Sincerely,

TRC Mariah Associates Inc.

Roger Schoumacher  
Project Manager

RS:ggd  
Enclosure  
23273\letters\reader.ltr

— SEE SEPARATE VOLUME  
FOR BOUND DOCUMENT



U.S. Department of the Interior

Bureau of Land Management  
Vernal Field Office

Vernal, Utah

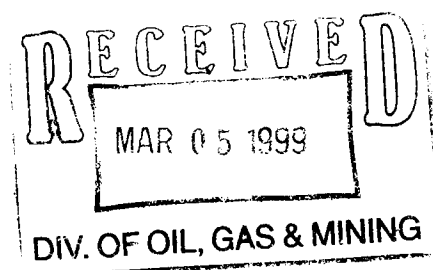
February 1999



**DRAFT**

**Environmental Assessment for  
American Gilsonite Company's  
Wagon Hound Gilsonite Mine  
Shafts Nos. 3 and 7,  
Uintah County, Utah**

**EA No. UT-080-1999-17**



**DRAFT**

**ENVIRONMENTAL ASSESSMENT FOR  
AMERICAN GILSONITE COMPANY'S  
WAGON HOUND GILSONITE MINE  
SHAFTS NOS. 3 AND 7,  
UINTAH COUNTY, UTAH**

**EA No. UT-080-1999-17**

**Prepared for**

**U.S. Department of the Interior  
Bureau of Land Management  
Vernal Field Office  
Vernal, Utah**

**February 1999**



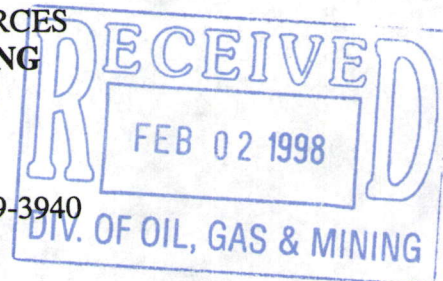
FORM MR-REV

(Revised 6/96)

**FOR DOGM USE ONLY:**File #:(M/S) 7M 1047-010 ( )Approved: (mm/dd/yy) 1 / 1 /

Bond Adjustment: (\$) \_\_\_\_\_

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING  
1594 West North Temple Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801  
Telephone: (801) 538-5291 Fax: (801) 359-3940

**NOTICE OF INTENTION TO REVISE MINING OPERATIONS**

When an operator intends to revise a mining operation, a **Notice of Intention to Revise Mining Operations** shall be filed with the Division. The notice must include all information, concerning the revision, that would have been required if it had been included in the original Notice of Intention (NOI). Ideally, the revision application should be a "stand-alone" document and include all information necessary to conduct a complete review.

"**REVISION**" means a **significant change** to the approved Notice of Intention to Conduct Mining Operations, which will increase the amount of land affected or alter the location and type of onsite surface facilities such that the nature of the reclamation plan will differ substantially from the approved Notice of Intention. Revisions require public notice and may require approval by the Board of Oil, Gas & Mining, if a change to the amount and/or form of the reclamation surety is necessary.

"**AMENDMENT**" is an **insignificant change** to the approved Notice of Intention. An amendment requires Division approval, but does not require public notice.

The Division will determine whether a request for change is significant or insignificant on an individual case-by-case basis.

**PLEASE NOTE:** When applicable, reference to previously approved information contained in the original NOI can be used (identify volume #'s, section, page #, plate/map #'s, & date of submittal). If possible, please attach appropriate copies of the referenced material as part of the application for revision.

Where possible, please format the application to revise mining operations (e.g., text, maps, tables, figures, etc.) to allow direct insertion into the original NOI as replacement pages, or as a separate addendum to the approved NOI.

The operator is encouraged to use this form as a guide only. Please use extra sheets as necessary to complete each section that follows.

The following information must be included as part of the application to revise mining operations:

**I. GENERAL INFORMATION (Rule R647-4-104)**

1. Name of Operator/Applicant: \_\_\_\_\_

2. Name of Company/Corporation: American Gilsonite Company

3. Address: HC 73 BOX 28  
VERNAL, UT 84078-9284

4. Phone: ( 435 ) 789-1921

5. Name of Mine/Project: Wagon Hound 3&7 mines

6. Previously Assigned File Number: (M) / S / 047 / 010  
\*from original Notice of Intention (NOI)

7. Location of Proposed Activities:

COUNTY Uintah

TOWNSHIP 9 S, RANGE 24 E,

SECTION(S) S $\frac{1}{2}$  N $\frac{1}{2}$ , NW $\frac{1}{4}$  NW $\frac{1}{4}$ , N $\frac{1}{2}$  SE $\frac{1}{4}$  (Identify to 1/4, 1/4 section)  
Section 35

8. Ownership of Land Surface:

Private (Fee) \_\_\_\_ Owners Name(s): \_\_\_\_\_  
(Private) \_\_\_\_\_

State of Utah \_\_\_\_ Public Domain (BLM) X National Forest (USFS) \_\_\_\_

9. Ownership of Minerals:

Private (Fee) \_\_\_\_ Owners Names(s): \_\_\_\_\_  
(Private) \_\_\_\_\_

State of Utah \_\_\_\_\_ Public Domain (BLM) X National Forest (USFS) \_\_\_\_\_

10. Utah Mining Claim Number(s) \_\_\_\_\_  
\_\_\_\_\_

11. Utah State Lease Numbers(s) \_\_\_\_\_  
\_\_\_\_\_

**II. MAPS, DRAWINGS & PHOTOGRAPHS (Rule R647-4-105)**

Appropriate maps, drawings, plates, etc. should be provided that are pertinent to the revision, or amendment of mining operations. Please provide a revised map outlining the previously approved and the new proposed disturbed area boundaries. These materials should be prepared according to the requirements of Rule R647-4-105.

List map numbers or appendices used for this section: previously submitted

**III. OPERATION PLAN (Rule R647-4-106)**

Provide a narrative description, referencing any appropriate attached maps or drawings, of the pertinent details of the proposed change(s) in the operating plan. Specific details which are different from those described in the original approved NOI should be included. Identify additional proposed surface disturbance. Include the total number of acres to be affected by the revision or amendment. All appropriate information requirements as outlined under Rule R647-4-106 must be addressed in the application.

previously submitted

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#### IV. IMPACT ASSESSMENT (Rule R647-4-109)

Please provide information as required under Rule R647-4-109 regarding projected potential surface and/or subsurface impacts which may be associated with the proposed change(s) in mining operations.

In the area from WH-3 west, the only surface distance will be a 25 foot by 25 foot area cleared for fire protection and opening into the mine for a ladder way. At the sites of WH-3 and WH-7 an area 200 foot by 250 foot will be cleared to install hoisting equipment, compressor and supply storage. From WH-3 east to 50 feet west of State Road 45, The vein will be mined to the surface. This will result in an opening 2 to 3 foot wide and 200-250 feet deep. It will be supported and covered with timbers and 2 inch thick boards.

#### V. RECLAMATION PLAN (Rule R647-4-110)

Describe how you intend to stabilize the disturbed areas upon cessation of operations. This includes backfilling excavations, grading, sloping or contouring, permanent stabilization of slopes or roads, permanent closure of roads, removal of structures and improvements, etc. Provide cross section of the proposed final contour of the land after reclamation.

Please outline any proposed changes to the originally approved reclamation plan. Appropriate sections of Rule R647-4-110 must be addressed as they may apply to the proposed change(s) in mining operations.

At the conclusion of mining, the opening created by mining to the surface will be closed by blasting. The blasted area will then be graded and seeded with the appropriate seed mixture. The estimated disturbance due to the blast is an area 50 feet wide and 2000 feet long or 2.3 acres. The estimated disturbed area due to the mine sites is .9 acres each. The total disturbed area would be 4.1 acres.



## VI. VARIANCE (Rule R647-4-112)

Please identify any requests for variance from the requirements of rules R647-4-107, -108, or -111. A narrative justification must also be included for each variance request. A discussion of any alternate methods or other mitigating measures should be included, if applicable.

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## VII. SURETY (Rule 647-4-113)

### Reclamation Surety:

Indicate whether the proposed activities will change the amount of work required to reclaim the minesite. If significant changes will result, then an itemized reclamation cost estimate should be provided (and attached) with direct reference to the specifics of the proposed change(s). This information will be used to assist the Division in determining any reclamation surety adjustments required for the operation.

The estimated cost to blast the vein closed and reclaim the  
blast area is \$75,000

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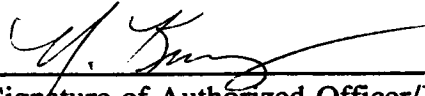
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### VIII. SIGNATURE REQUIREMENT

The application for permit change must include a section similar to the following example:

I hereby certify that the foregoing is true and correct.

  
\_\_\_\_\_  
Signature of Authorized Officer/Representative:

N. KUNZ

\_\_\_\_\_  
Name (Typed or Print):

Mine Supt.

\_\_\_\_\_  
Title of Authorized Officer/Representative:

Date: 1/28/98

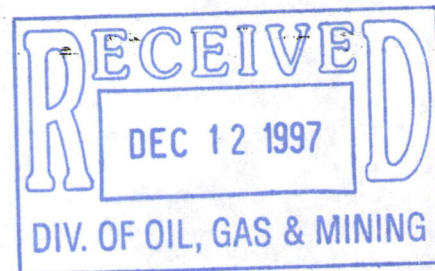


**American Gilsonite Company**

Bonanza, Utah 84008 • Phone (801) 789-1921  
FAX (801) 789-1956

*Bonanza Mining Operations*

M/047/010



OCTOBER 20, 1997  
USBLM  
P.O. BOX 45155  
SLC, UT 84145-0155  
ATTN: STAN PERKS  
RE: MINING PLAN- LEASE #. U-060749

Dear Mr. Perks,

Enclosed is the mining plan for Lease # 060749. We will need to start mining on this lease when reserves of H Tore on Federal Lease U-073071 are exhausted. This is expected around the middle of 1998.

Yours Truly,

A handwritten signature in dark ink, appearing to read "Neldon Kunz".

Neldon Kunz  
Mine Superintendent

AMERICAN GILSONITE CO.  
MINE PLAN-FEDERAL LEASE U-060749

CONTACTS

Earl White- Vice President Operations.  
Neldon Kunz- Mine Superintendent.  
HC 73 BOX 28  
VERNAL, UT 84078-9284  
(435) 789-1921

EXISTING CONDITIONS

Lease U-060749 is located in section 35, T9S, R24E. The lease is located about one mile north of the White River in Uintah County, Utah. Drainage from the area drains down a dry wash to the White River. The lease was previously mined from three shafts (WH1, WH2, and WH5). This mining took place from 1967 through 1972. A paved highway, SR45, cuts through the lease from North to South. A dirt road extends from SR45 to the west along the vein for about 0.3 miles. A power line parallels SR45 cutting across the lease North to South. Another powerline runs parallel to the vein from SR45 west to the boundry of the lease, and continues west across private property.

GEOLOGY & MINING

The previous mining and drilling indicate that the Gilsonite is minable to a depth of 200ft on the west side of the lease and about 50ft at SR45. On the east side of SR45 very little if any minable Gilsonite exists. Therefore this mining plan will only cover the area west of SR45. If mining west of SR45 indicates there may be ore to the east of SR45 a supplement to this plan will be submitted.

The Gilsonite between WH-2 and WH-5 can be mined with one production shaft (WH-3) and two escape shafts. Likewise, the area between WH-5 AND SR45 can be mined with one production shaft (WH-7) and two escape shafts. The facilities required at the production shafts include derrick, hoist, bin, fan, compressor, timber yard, and portable toilet facilities. Power will be supplied from the existing power line. Access and haulage would be via the existing roads with some improvement. About 200ft of new road will be required for access to WH-7.

The escape shafts will consist of a small area ( about 50 feet in diameter ) cleared for fire protection. Ladderway to the surface or a small portable hoist will be located at each escape shaft.

Mining will be done using small pneumatic hammers to break the Gilsonite. It will be transported to the surface with an airlift system where it is discharged to a bin. The Gilsonite will be loaded into trucks and hauled to our processing plant for shipment. Ore Reserves are estimated at 47,000 tons. All minable ore will be recovered except that left in pillars necessary for the stability of the mine and the safety of the miners. Recovery is expected to be 85%. The walls will be supported using timbers and timbered floors. If surface pillars are left, to support the surface they will have a minimum thickness of 20 feet. If surface pillars are not left, the vein will be closed by blasting.



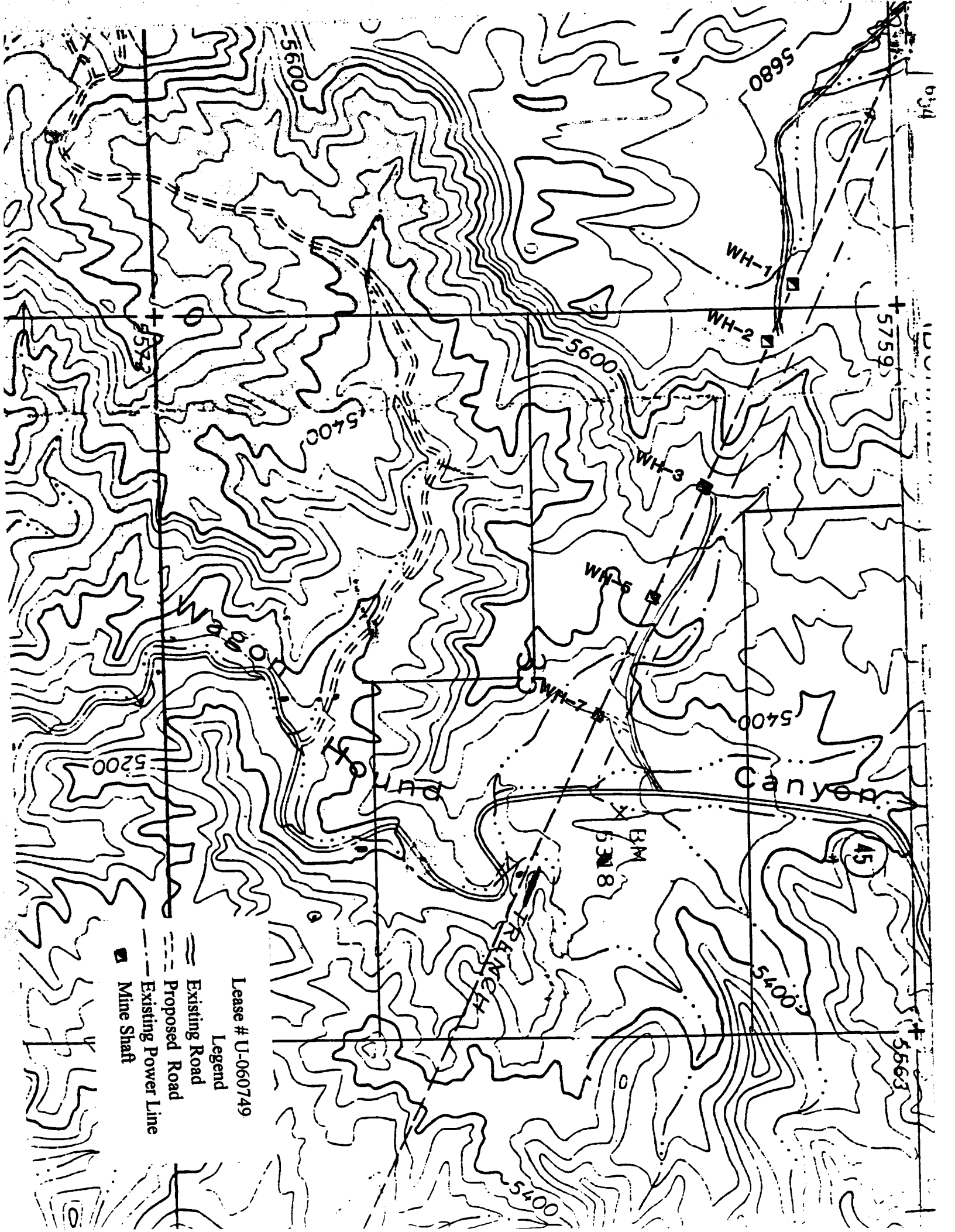
Water is not expected in this vein, but if it is encountered an NPDES permit will be obtained prior to discharging the water. Sediment ponds will be constructed to control surface run off from disturbed areas.

All openings will be fenced or covered to protect the public while mining.

### RECLAMATION

Reclamation will consist of removal of all surface facilities, including scrap, concrete, metal etc. If surface pillars have been removed the vein will be closed by blasting. The surface will be graded as necessary to return the area to the natural contours.

If surface pillars have been left, all mine openings will be covered with reinforced concrete. This concrete slab will be 12 inches thick, extend 12 beyond the opening in all directions, and be reinforced with 1/2 inch rebar (minimum). Reseeding will be done as necessary to speed the recovery of the vegetation.



Lease # U-060749

Legend

- Existing Road
- Proposed Road
- Existing Power Line
- Mine Shaft

POWER LINE

TIMBER  
YARD

WH-15

TOPSOIL  
STOCKPILE  
AREA

C

HOIST

TYPICAL MINE SITE